

FIRST STATE
BANK OF ODEM

September 2, 2005

NORTHWEST BRANCH
PERSONALIZED BANKING SERVICE

FDIC San Francisco Regional Office
Director John F Carter
25 Jessie Street @ Ecker Square, Suite 2300
San Francisco, CA 94105

RE: Please keep Wal-Mart out of Banking

Dear Mr. Carter;

I have been reading the past several weeks of Wal-Mart's application for deposit insurance for its pending Utah based ILC. I must express my deep concern about this possibility.

I live in a small community where we were extremely happy when Wal-Mart opened in our community. Since that has happened, I have watched our little town in Beeville, Texas have several small home-town businesses close their doors because they just could not compete with the prices. I am for competition, but you cannot expect to even have a chance when you have a mom and pop business try to compete with Wal-Mart. It would be like asking a second grade little league team to play against the New York Yankees.

We community banks are already in an unfair competition with the BIG banks - Wells Fargo, Bank of America, etc.- but to have Wal-Mart opening their own banks would mean the end to community banking as we know it. There is a strong need in all communities to have a community bank. The bank I work at has several of the "Big" banks in immediate area, but we always have customers who prefer the personal service.

I also am concerned with the mixing of banking and commerce. I believe there is great potential for conflicts of interest. Congress also is opposed to the mixing of banking and commerce based on the Gramm-Leach-Bliley Act. Wal-Mart would not be able to prove fair credit practices when applied for from a small business they compete with, versus a business they do trade with.

In closing, Wal-Mart is becoming too big, and if approved for banking, it would create an unprecedented concentration of economic power. What happens if Wal-Mart were to eventually fail? Remember what happened to Rome.

Thank you for your attention in this critical matter and please remember the little guys.

Sincerely,



Beverly Moore
Vice President